

Lieutenant Governor

## State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

August 25, 2010

Alysen Pedersen CML Metals, Corp. 6249 West Gilbert Industrial Court Hurricane, UT 84737

Subject: Final Approval of Permit Transfer, CML Metals, Corp., Iron Mountain Mine, M/021/0008, Iron

County, Utah

Dear Ms. Pedersen:

On August 23, 2010, the Division received an application to transfer the permit for the Iron Mountain Mine (M/021/0008) from Palladon Iron Corp. to CML Metals, Corp. A review of this material found it to be in order, and hereby approves the transfer. CML Metals previously provided the reclamation surety for this project, Corp. and the Reclamation Contract was amended and approved in March of 2009. CML Metals, Corp. is now solely responsible to conduct mining and reclamation operations as outlined in the approved Notice of Intention. Palladon Iron Corp. is hereby released from any further reclamation liability under this permit.

You may, at any time submit a notice to amend/revise any portion of the approved NOI. Please use form MR-REV, located on the Division's website www.ogm.utah.gov/minerals. You may not implement these changes until you receive Division approval of the amended/revised NOI.

Thank you for completing this permit transfer. Please refer to file M/021/0008 in any future correspondence regarding this operation. If you have questions regarding this letter, please contact me at 801-538-5261 or Lynn Kunzler at 801-538-5310.

Sincerely,

Paul Baker

Minerals Prøgram Manager

PBB:lk:pb

Enclosure: Copy of Approved Transfer and replacement pages

cc: Palladon Iron Corp.

Ed Ginouves, BLM (ed\_ginouves@BLM.gov)

Penny Berry, DOGM

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